

## CLAIMS

What is claimed is:

1. A cost processing system for determining a transaction cost of an item, the system comprising:
  - department logic to define one or more departments which produce cost-driving transactions;
  - allocation logic to define an allocation of business expenditures attributable to each defined department;
  - item logic to obtain a number of items transacted in each department; and
  - cost logic to determine transaction costs of each of the items in each of the defined departments based on the allocation of business expenditures to each of the defined departments and the number of items transacted in each of the defined departments.
2. The cost processing system of claim 1 further comprising time period logic to define a time period for determining the transaction costs of each of the items.
3. The cost processing system of claim 2 further comprising an interface for a user to define a time period for evaluation, define one or more departments, and define the allocation of the one or more business expenditures to each department.
4. The cost processing system of claim 1 further comprising expenditure logic to obtain one or more of the business expenditures.
5. The cost processing system of claim 1 wherein the department logic comprises logic for defining a physical space measurement associated with each of the one or more departments.
6. The cost processing system of claim 1 wherein the allocation logic comprises logic to define the allocation of business expenditures to each of the departments based

on at least one of a predetermined monetary amount and a proportion of the business expenditures.

7. The cost processing system of claim 1 wherein the allocation logic comprises logic to define the allocation of business expenditures to each of the departments based on at least one of a physical space measurement of each department, a predetermined monetary amount, and a proportion of the business expenditures.

8. The cost processing system of claim 1 wherein the cost logic to determine the transaction cost of an item comprises:

logic to sum, for each department, the business expenditures allocated to each department; and

logic to divide the sum for each department by the number of items transacted in each of the respective departments to obtain the transaction cost of an item to each department.

9. The cost processing system of claim 8 wherein the cost logic further comprises logic to sum the transaction cost of an item in each department for each department that transacts the item, to obtain the transaction cost of an item to the business.

10. The system of claim 1 wherein the system is embodied as a computer software product having computer-readable instructions.

11. A cost processing system for determining a transaction cost of an item, the system comprising:

means for defining one or more departments which produce cost-driving transactions;

means for defining an allocation of business expenditures attributable to each defined department; and

means for determining the transaction costs of each of the items in each of the defined departments based on a number of items transacted in each of the defined departments the defined allocation of business expenditures to each of the defined departments and.

12. A method for determining a transaction cost of an item, the method comprising:  
defining one or more departments which produce cost-driving transactions;  
allocating business expenditures to the defined departments;  
obtaining the number of items processed in each defined department; and  
determining a transaction cost of an item in each department based on the allocation of business expenditures to each department and the number of items processed in each defined department.
13. The method of claim 12 further comprising:  
defining a time period of cost evaluation.
14. The method of claim 13 further comprising:  
obtaining business expenditures in the time period for cost evaluation.
15. The method of claim 12 wherein the allocation of business expenditures to each of the defined departments is based on at least one of a predetermined monetary amount, and a proportion of the business expenditures.
16. The method of claim 12 further comprising:  
defining a physical space measurement for each of the one or more defined departments; and  
wherein the allocation of business expenditures to each of the defined departments is based on at least one of a defined space requirement of each department, a monetary amount, and a proportion of the business expenditures.

17. The method of claim 12 wherein the transaction cost of an item is determined by:  
summing, for each department, the business expenditures allocated to each department to obtain a sum; and  
dividing the sum by the number of items transacted in each of the respective departments to obtain the transaction cost of an item to each department.
18. The method of claim 17 further comprising:  
summing the transaction cost of an item to each department that transacts the item to obtain the transaction cost of an item to the business.
19. A computer program stored in a computer-readable medium for determining transaction costs of an item, the complete program comprising:  
computer-readable instructions that cause a computer to define one or more departments which produce cost-driving transactions;  
computer-readable instructions that cause a computer to allocate business expenditures attributable to each defined department; and  
computer-readable instructions that cause a computer to determine the transaction costs of each of the items in each of the defined departments based on a number of items transacted in each of the defined departments and the defined allocation of business expenditures to each of the defined departments.